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NASA to start bid for research park

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With an open house tomorrow, NASA kicks off its bid to transform Moffett Field into a successful research park by leasing land or buildings to universities, private startup companies and nonprofit organizations.

The NASA Research Park wants to attract companies involved in technologies that can support space exploration, including biotechnology, information technology

and nanotechnology. The park will occupy 213 acres and cost an estimated \$850 million.

"We have looked at other models," Meighan Haider, chief of the NASA Research Park Division said. "We are not mimicking one model, we are trying to create our own unique and innovative park by taking what is relevant from other parks we have examined."

She said that NASA has looked at Stan-
See NASA, page 7

FROM PAGE 1

NASA

FROM PAGE 1

ford Research Park in Palo Alto for ideas.

The Stanford Research Park is based on 700 acres with 10 million square feet of developed buildings and facilities occupied by 150 companies which employ around 23,000 people.

Tenants would provide capital

Tenants at the research park would provide the capital for infrastructure development, and occupy and refurbish existing historic buildings that are protected from demolition. Three large developers are due to submit by April 22 proposals for an education and conference center for the site.

NASA faces a competitive real estate market. More than 15 percent of Silicon Valley's office buildings were vacant at the end of 2004, according to BT Commercial Real Estate. The average price for office space in Silicon Valley was between \$2.13 per square foot and \$2.08 per square foot, a spokesman for BT Commercial said.

Haider acknowledges that there are millions of square feet of office space open and says NASA has examined prices in the surrounding market and will offer competitive rates.

In addition, the research park is located on a site designated by the U.S. Environmental Protection Agency as a Superfund site, contaminated land in need of cleanup. Haider didn't have information on specific costs to tenants associated with the cleanup.

Under development since 1997

The park has been under development since 1997.

"Every deal, every transaction has its own merit," Haider says.

For example, Pittsburgh-based Carnegie Mellon University pumped \$5.5 million into renovating one of the historic buildings. Currently 120 graduate students attend this new West Coast campus opened in September 2000. Carnegie Mellon has a 48-year lease. The land turns over to the government

once the lease ends, but new leases can be negotiated. Each individual lease can be no more than 99 years, says Haider.

The 20 startup companies that have worked out of the nascent research park since 2002 employ around 200 people. They include: Changene, a company that develops bone density products to help astronauts returning from space; ION America, a company that makes fuel cells for defense-related projects; Aracor, which makes security scanning systems for the U.S. Department of Homeland Security.

Proximity to the Valley

NASA Research Park would offer proximity to Silicon Valley and unique facilities, Haider said. There are no special tax incentives for leasing space, but there currently is an 18-hole golf course, a swimming pool, tennis courts, a credit union, a McDonald's, and the NASA lodge, a \$50-per-night hotel. There

See RESEARCH CENTER, page 53

FROM PAGE 1

RESEARCH CENTER

FROM PAGE 7

would be no special security checks required for workers at the park — they will be screened in a process taking up to four weeks, Haider said.

The success of the Ames Research Park has larger implications for NASA. Congress authorized the agency to enter into leases with nongovernmental entities to "build or refurbish aging infrastructure," according to a Congressional Budget Office report. About 75 percent of NASA's facilities are more than 35 years old and in need of maintenance and redevelopment, said the CBO

report. The NASA Ames Research Park and the NASA-Kennedy Space Center "were selected in a competitive process as two pilot centers to utilize this unique leasing authority," Haider said. "For NASA as a whole it reduces the burden on the budget as opposed to NASA headquarters having to fund the centers," Haider said. NASA has eight centers.

Tomorrow from 3 to 7 p.m., NASA Ames Research Park will showcase Building 19, which has 11,000 square feet of space available.